

Message Text

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ACTION SS-25

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FM AMEMBASSY REYKJAVIK

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C O N F I D E N T I A L SECTION 1 OF 2 REYKJAVIK 1609

EXDIS

DEPT PLEASE PASS TO COMICEDEFOR, CINCLANT AND SECDEF

E.O. 11652: GDS

TAGS: PFOR MARR IC NATO

SUBJECT: IDF RETENTION AGREEMENT

1. FONMIN WILL TRANSMIT ICELANDIC TRANSLATION OF EXCHANGE OF NOTES, MOU, AND AGREED MINUTE TO MEMBERS OF PARLIAMENT MONDAY 9 A.M. LOCAL TIME FOR PRIVATE REVIEW AND THEN OPEN DISCUSSION TUESDAY DECEMBER 3. FONMIN WILL MAKE BRIEF ORAL STATEMENT DESCRIBING AGREEMENT AND THEN ENGAGE IN GENERAL DEBATE. TRANSLATION WAS DONE BY HANS ANDERSEN.

2. COMICEDEFOR AND EMBASSY PREPARED AND TRANSMITTED TO HANS ANDERSEN THIS AFTERNOON ANSWERS FOR USE BY FONMIN ON AN IF NEEDED BASIS TO QUESTIONS FONMIN BELIEVES HE MAY BE ASKED DURING DEBATE. NO GUARANTEE, OF COURSE, THAT HE WILL NOT CHANGE ANSWERS TO SUIT THE CIRCUMSTANCES.

3. QUESTION AND ANSWERS TRANSMITTED ARE AS FOLLOWS:

QUESTION: WHY IS THERE NO EXPIRATION DATE IN THE NEW UNDERSTANDING SIGNED REGARDING THE PRESENCE OF THE U.S. MILITARY FORCES IN ICELAND.

ANSWER: THE 1951 DEFENSE AGREEMENT IS FULLY IN EFFECT. NO CHANGES WERE MADE IN THAT BASIC AGREEMENT. THE DEFENSE FORCE NOW, CONFIDENTIAL

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AS IN 1951, UNDER ARTICLE VII OF THE 1951 AGREEMENT HAS ONLY

18 MONTHS GUARANTEED TENURE IN ICELAND. ARTICLE VII CAN BE INVOKED AT ANY TIME BY EITHER ICELAND OR THE UNITED STATES.

QUESTION: IF THERE ARE ONLY 270 AMERICAN MILITARY FAMILIES LIVING OFF THE KEFLAVIK BASE AGREED AREA, AND THERE WILL BE A REDUCTION OF 420 AMERICAN MILITARY PERSONNEL, WHY IS IT NECESSARY TO CONSTRUCT APPROXIMATELY 468 NEW FAMILY HOUSING UNITS.

ANSWER: APPROXIMATELY 468 IS THE NUMBER NEEDED TO SATISFY ALL FAMILY LIVING REQUIREMENTS ON THE BASE NOT ONLY FOR THE 270 FAMILIES CURRENTLY AUTHORIZED TO LIVE OUTSIDE OF THE BASE BUT ALSO FOR MARRIED MILITARY PERSONNEL WHO CURRENTLY LIVE ON THE BASE WITHOUT ADEQUATE FAMILY HOUSING FACILITIES. THE NUMBER IS THE U.S. GOVERNMENT'S BEST ESTIMATE AT THE MOMENT REGARDING THE NUMBER OF HOUSING UNITS NEEDED TO ACCOMPLISH THE ABOVE, TAKING INTO ACCOUNT THE REDUCTION OF 420 MILITARY PERSONNEL. THE NUMBER IS SPECIFIED BECAUSE OF THE REQUIREMENT OF THE U.S. DEFENSE DEPARTMENT TO SEEK APPROPRIATE FUNDS FROM THEIR CONGRESS.

THE KEY POINT IN THE UNDERSTANDING THAT SHOULD NOT BE LOST SIGHT OF IS THAT THE U.S. GOVERNMENT HAS COMMITTED ITSELF TO PROVIDE ON-BASE HOUSING FOR ALL U.S. MILITARY PERSONNEL.

QUESTION: THE MEMORANDUM OF UNDERSTANDING STATES THAT THE UNITED STATES WILL SEEK FUNDS OVER A TEN -YEAR PERIOD TO UPGRADE THE AIRPORT TO A CATEGORY II STATUS; DOES THIS MEAN YOU HAVE GUARANTEED THE AMERICANS ANOTHER TEN YEARS IN ICELAND?

ANSWER: NO. ARTICLE VII OF THE 1951 AGREEMENT IS STILL IN EFFECT AND GUARANTEES ONLY 18 MONTHS' TENURE FOR THE DEFENSE FORCE. THE 10 YEARS MENTIONED IN THE UNDERSTANDING IS THE ESTIMATED TIME IT WOULD TAKE TO COMPLETE ALL OF THE PROJECTS PLANNED TO UPGRADE THE AIRFIELD AND MAKE LONG-RANGE IMPROVEMENTS TO EQUIPMENT AND FACILITIES. THE AMOUNT OF WORK ANTICIPATED IS MORE THAN ICELAND CONTRACTORS COULD REASONABLY BE EXPECTED TO HANDLE IN A SHORTER TIME PERIOD. IN ADDITION, BECAUSE OF THE LARGE AMOUNT OF MONEY INVOLVED, IT MUST BE SPREAD OVER A NUMBER OF YEARS TO INSURE FUNDING SUPPORT. THE 10 YEARS IS ONLY AN ESTIMATED TIME TO ACCOMPLISH A LARGE AMOUNT OF WORK AND NOT A GUARANTEE OF TENURE.

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QUESTION: WHAT DOES CATEGORY II MEAN?

ANSWER: CATEGORY II IS AN INTERNATIONAL CIVIL AVIATION ORGANIZATION (ICAO) DESIGNATION WHICH MEANS: MORE ADVANCED ELECTRONICS, LIGHTING, AND ELECTRIC POWER SYSTEMS WILL BE INSTALLED TO PERMIT LANDINGS TO BE MADE UNDER MORE ADVERSE METEOROLOGICAL CONDITIONS THAN PRESENT INSTALLATIONS PROVIDE FOR.

QUESTION: WHAT IS MEANT BY COOPERATION BETWEEN THE TWO GOVERNMENTS WITH REGARD TO GEOTHERMAL HEAT.

ANSWER: PRESENTLY, THE GOVERNMENT OF ICELAND IS UNDERTAKING A PROJECT TO FURNISH GEOTHERMAL HEAT TO THE COMMUNITIES IN THE REYKJANES PENINSULA. IN ORDER TO ACCOMPLISH THIS, A PIPELINE WILL HAVE TO PASS THROUGH THE KEFLAVIK AIRPORT COMPLEX. THEREFORE, IT IS ONLY LOGICAL TO STUDY THE FEASIBILITY OF PROVIDING THE AIRPORT WITH GEOTHERMAL HEAT. IT WOULD NOT BE DIFFICULT TO BRANCH OFF THE PIPELINE AND PROVIDE THE AIRPORT WITH THIS HEAT. FINANCIAL ARRANGEMENTS WITH THE BASE WILL BE WORKED OUT ON THE PURCHASE OF GEOTHERMAL HEAT.
END

NOTE BY OCT: REYKJAVIK 1609 NOT PASSED ABOVE.

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C O N F I D E N T I A L SECTION 2 OF 2 REYKJAVIK 1609

EXDIS

QUESTION: WHAT IS ENVISAGED BY THE REFERENCE TO COOPERATION WITH CIVIL AVIATION, COAST GUARD AND CIVIL DEFENSE AUTHORITIES.

ANSWER: AREAS OF COMMON INTEREST WOULD BE STUDIED BY GROUPS OF EXPERTS REPRESENTING ICELAND AND THE UNITED STATES TO SEE IF THERE ARE ANY WAYS THAT MUTUAL COOPERATION AND MUTUAL SUPPORT CAN BE IMPROVED.

IN THE FIELD OF CIVIL AVIATION WE ARE PARTICULARLY CONCERNED THAT EVERYTHING POSSIBLE IS DONE TO IMPROVE FLYING SAFETY AND THE RELIABILITY OF CIVIL AVIATION SERVING ICELAND.

WITH THE COAST GUARD WE ARE ALSO SEEKING WAYS TO IMPROVE SAFETY AT SEA FOR ICELAND'S FISHERMEN AND MERCHANT SHIPS THAT PASS THROUGH ICELAND'S WATERS. COOPERATION BETWEEN THE DEFENSE FORCE AND THE COAST GUARD IS PARTICULARLY IMPORTANT WHEN SEARCH AND RESCUE OPERATIONS ARE REQUIRED.

IN CIVIL DEFENSE THE PRIMARY INTEREST IS IN THE AREA OF DISASTER PREPAREDNESS. THE DEVELOPMENT OF CONTINGENCY PLANS TO INSURE EFFICIENT USE OF AVAILABLE EMERGENCY EQUIPMENT AND SUPPLIES IS ESSENTIAL TO SAVING LIVES AND PROTECTING PROPERTY IN THE EVENT OF A VOLCANIC ERUPTION OR ANY NATURAL DISASTER.

QUESTION: WHAT KIND OF JOBS WILL BE AVAILABLE TO ICELANDERS AND HOW MANY WILL THERE BE AND WHEN WILL THEY BECOME AVAILABLE.

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ANSWER: THE 420 JOBS THAT THE U.S. MILITARY WILL VACATE RANGE FROM TECHNICAL AND MANAGERIAL TO THOSE OF AN ADMINISTRATIVE NATURE. A REVIEW IS BEING UNDERTAKEN REGARDING THE NUMBER OF ICELANDIC PERSONNEL THAT WILL BE REQUIRED TO PERFORM THESE FUNCTIONS AND THE SKILLS AND QUALIFICATIONS REQUIRED. THE CHANGEOVER FROM AMERICANS TO ICELANDERS WILL BE UNDERTAKEN IN SUCH A MANNER AS TO AVOID DISRUPTING THE CURRENT TIGHT LABOR SITUATION IN ICELAND.

A REVIEW IS ALSO UNDERWAY TO DETERMINE THE POSSIBILITY OF CONTRACTING SOME ADDITIONAL FUNCTIONS TO ICELANDIC COMPANIES.

QUESTION: THE UNDERSTANDING STATES THAT "PENDING THE COMPLETION OF THIS HOUSING, THE MILITARY AUTHORITIES OF THE UNITED STATES MAY ACT AS AGENT FOR PERSONNEL RESIDING OFF THE AGREED AREAS IN ORDER TO ASSURE ADEQUACY OF HOUSING, FAIR RENTAL RATES AND APPROPRIATE LEASING PROVISIONS." IS THIS A NEW PROCEDURE.

ANSWER: NO. IT IS A REAFFIRMATION OF A LONG-STANDING PROCEDURE. ALTHOUGH THE DEFENSE FORCE PERSON SEEKING TO RENT THE PROPERTY MAKES THE RENTAL ARRANGEMENTS WITH THE LANDLORD HIMSELF, THE TERMS ARE, NEVERTHELESS, SUBJECT TO APPROVAL BY THE ICELAND DEFENSE FORCE. THIS STANDBY AUTHORITY IS BASED ON A U.S. GOVERNMENT LEGAL REQUIREMENT TO ASSURE THAT AMONG OTHER THINGS, THE MILITARY PERSON CAN AFFORD THE RENTAL PRICE. AVAILABILITY OF HOUSING OFF THE BASE IS OFTEN COMMUNICATED TO THE ICELAND DEFENSE FORCE WHO WILL THEN MAKE THIS INFORMATION AVAILABLE TO THE MILITARY PERSON SEEKING HOUSING. THE LOCAL CITY GOVERNMENTS OR ITS AGENTS (SUCH AS FIRE DEPARTMENT, HEALTH AUTHORITIES, ETC.) GENERALLY COMMUNICATE GENERAL POLICY MATTERS TO THE ICELAND DEFENSE FORCE THROUGH THE ICELAND-U.S. DEFENSE COUNCIL THAT MIGHT AFFECT AREAS WHERE MILITARY PERSONNEL ARE RESIDING. THE ICELAND DEFENSE FORCE THEN COMMUNICATES THIS INFORMATION TO EACH MILITARY RENTER

ON BEHALF OF THE LOCAL ICELANDIC AGENCY.

QUESTION: HOW WAS THE FIGURE OF 468 FAMILY HOUSING UNITS
DERIVED.

ANSWER:

270 MILITARY FAMILIES LIVING OFF AGREED AREA IN "APPROVED"
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STATUS.

PLUS 50 APPROXIMATE NUMBER IN "TOURIST" STATUS.

320 APPROXIMATE NUMBER OF MILITARY FAMILIES LIVING
OFF THE AGREED AREA.

PLUS 311 MARRIED MILITARY PERSONNEL CURRENTLY LIVING ON
AGREED AREA WITHOUT THEIR FAMILIES WHO ARE
AUTHORIZED TO BRING THEIR FAMILIES AND LIVE ON
AGREED AREA BUT HOUSING IS NOT AVAILABLE.

631 TOTAL APPROXIMATE MILITARY FAMILY HOUSING UNITS
REQUIRED.

MINUS 163 APPROXIMATE NUMBER OF MILITARY PERSONNEL OF THE
ABOVE CATEGORY TO BE REDUCED AS PART OF THE TOTAL
420 MILITARY MANPOWER REDUCTION.

468 APPROXIMATE NUMBER OF MILITARY FAMILY HOUSING UNITS
REQUIRED AFTER COMPLETION OF THE REDUCTION OF 420
MILITARY PERSONNEL.

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